

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matters of)

Administration of the)
North American Numbering Plan)

Notice of Inquiry)

CC Docket No. 92-237

Phase I

REPLY COMMENTS OF
MCI TELECOMMUNICATIONS CORPORATION

MCI TELECOMMUNICATIONS CORPORATION

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SUMMARY

Briefly, MCI requests the Commission to transfer administration of the NANP into two separate entities not affiliated with any industry group. MCI proposes funding the NANP activities through membership contributions equitably drawn from all NANP participants. MCI supports assignment of non-geographic Service Access Codes for near-term PCS and favors non-geographic NPAs for the longer-term deployment of PCS. And, MCI urges promptly addressing the issues related to local number portability.

I. NANP Administration and Funding

The overwhelming majority of commenters agree with MCI that the NANP should be administered by two neutral bodies -- such as MCI's proposed NANP policy council and a ministerial registrar. Another segment of commenters advocates using one neutral body. Under either scenario, however, it is clear that the industry supports removing administration of the NANP from Bellcore.

Some commenters generally agree with MCI that policy matters should be addressed by the industry, and then submitted to the FCC for consideration. The industry should have the opportunity first to discuss such issues under the auspices of the NANP Council because the particular expertise needed to understand numbering questions resides within the industry. The FCC, however, should retain its policy-determination function with respect to numbering issues.

Many parties urge the Commission to establish the role of, and goals for, the NANP entities, while others propose that the NANPA entities promulgate their own procedural rules and guidelines. MCI believes that the industry is in a better position than the FCC to determine procedures for the NANP Council, but MCI does not object to having the FCC work with the industry to determine the appropriate role and goals for the Registrar and the NANP Council.

Some parties ask the Commission to postpone the transfer of NANP administration until 1995, or until Interchangeable Number Plan Area Codes (INPAs) are implemented. To the contrary, it is precisely because of this important development that MCI strongly urges the Commission to initiate transfer of the NANPA's policy functions immediately and to begin transferring the administrative functions as soon as practicable.

There might be some interim measures that could be taken to handle the nonpolicy functions in a more equitable manner during any transition phase required for transfer of these functions.

A possible interim option for industry discussions of numbering-related issues could be to transfer all such discussions to the Carrier Liaison Committee (CLC) process until a permanent

structure is created. An ad hoc committee could be established under the existing CLC to consolidate numbering-related industry forum activities. Any work products from this forum would require endorsement by the FCC before they could be considered final industry decisions. Discussions associated with development of the Long Range Numbering Plan could be moved immediately out of Bellcore's umbrage and into the CLC structure. However, the CLC cannot be viewed as a viable long-term solution, as it continues to be dominated and controlled by the LECs.

Commenters generally agree that the FCC should play a significant role in the NANP process. MCI concurs and has attempted in the various aspects of its proposal to facilitate greater FCC participation. Some parties suggest that FCC mediation and arbitration will not be productive because the industry process of arriving at consensus is essentially a mediation approach. MCI is less categorical in its view as to the utility of the FCC's dispute resolution process. As Ameritech suggests, mediation might be workable in resolving disputes over interpretation or application of plans or guidelines.

MCI concurs with the parties who argue that national coordination of numbering is needed. MCI also supports continuing to operate the NANP as an internationally integrated numbering plan, notwithstanding the political and technical limitations raised by Southwestern Bell. Finally, MCI agrees with commenters who seek an expedited release of proposed rules on the reorganization of the NANP administration and the adoption of final rules.

Commenters generally agree with MCI that the funding of NANP administration, after it is transferred out of Bellcore, should be fairly allocated among all parties using the NANP resources. MCI considers Metrocall's proposal of collecting fees for new number assignments and for the continued use of numbers to be unnecessary since funding for the registration entity could be generated by proportionate contributions.

MCI concurs with Metrocall and PageNet that the eventual NANP Council could be self-funded by means of membership fees, with each participant paying a fair share of the expenses of operating the Council process. An appropriate formula for funding the NANP Council could be established using similar membership organizations. For instance, NANP funding might be modeled on the CCITT's scheme of contributions which accommodates participation by governmental and private entities.

II. Personal Communications Numbering

A number of commenters note that the ICCF, the CCITT and the T1 Committee of the Exchange Carrier Standards Association are examining PCS standards. MCI supports industry discussions of PCS

numbering issues but requests reorganization and centralization of these discussions in an ad hoc industry forum within the CLC process, until the NANP Council structure is established. Furthermore, the FCC should assume a more active role in overseeing these critical activities to ensure progress is not delayed on PCS issues and to enable it to adopt policies consistent with industry needs.

MCI supports assignment of non-geographic Service Access Codes (SACs) for near-term PCS. GTE also favors the use of SACs for "early roll out" of PCS. MCI strongly opposes Ameritech's contentions that assignment of SACs for PCS use should be deferred until after the industry fora have completed their work on PCS numbering standards, and that none of the remaining SACs should be assigned for any purpose before 1995. Ameritech may be making these arguments to protect its cellular interests to the detriment of the rapid development of PCS. These requests should be ignored by the Commission so that those parties with real, current needs will not be forced to wait for numbering resources.

MCI supports the nondiscriminatory assignment of non-geographic numbering to PCS providers. Telocator, McCaw, SNET, Cox, PacTel, and PageNet agree, in principle, that PCS number assignments should be handled in a uniform, fair and impartial manner. MCI sees nondiscriminatory assignment as a policy issue that the Commission should address, possibly by instructing the industry and the NANP Council to develop guidelines which provide appropriate criteria for nondiscriminatory assignments.

With respect to provision of PCS in the longer-term, MCI favors the use of non-geographic NPAs. MCI disagrees with NYNEX and Southwestern Bell in their assertion that PCS development will not be driven by numbering schemes to the extent that PCS service will clearly depend upon availability of number resource assignments on a nondiscriminatory basis, and in a format which does not disadvantage one service provider versus another.

MCI recognizes the need for PCS standards and, thus agrees with Cox that numbering guidelines must be completed promptly so that numbers will be available when PCS providers are ready to provide service. Development of standards has been ongoing for several years now, and no end of discussions is evident. Therefore, the FCC should consolidate the industry fora discussing PCS issues, and direct that recommendations be finalized and presented to the Commission within six months from the date of the FCC's order. Important portability issues that would require further study by the industry and the Commission include access to the numbering database, database ownership, database location, and international access.

MCI agrees with Cox that since longer-term PCS uses have not yet been determined, the Commission should maintain flexible

policies to better enable PCS providers to serve their customers. MCI also agrees with Cox that providers of future PCS may have requirements for both traditional and non-geographic codes. Moreover, MCI cautions the Commission not to assume that PCS will necessarily use portable numbering to the exclusion of fixed numbering.

III. Local Number Portability

Before a meaningful discussion can take place on this subject, the concept of "local number portability" needs to be defined and distinguished from the various other concepts of number portability. It is apparent that there is some confusion in the comments about the different types of number portability. MCI uses the "local number portability" language of the Notice to frame its responses here. For purposes of this discussion, MCI considers local number portability (LNP) to be the ability of the customer to move from one local service provider to another within the same geographic area. MCI further defines "service" as local exchange common carriage. Definitional issues can be debated more extensively in a rulemaking proceeding established to review local number portability.

MCI agrees with the broad segment of commenters urging the FCC to explore the concept of local number portability. MCI concurs, in principle, with the several commenters who argue that the issues relating to technical and economic feasibility of accomplishing LNP should be fully examined.

MCI agrees with Centel that the industry should examine the issues related to LNP, but believes that FCC action is imperative since the industry is not moving forward with studies of the issues related to LNP.

MCI suggests that the FCC could direct an appropriate industry forum to consider issues of LNP database design and implementation and to report its findings and conclusions back to the FCC. The FCC would then be in a position to balance all considerations and to make the final decisions. One of the most important database issues the FCC should decide is who will control the local number database. Other database issues which must be examined include the size and reliability of the database, and the speed of database query, as noted by GTE. Apart from technical issues, the benefits and costs of LNP should be examined, as well as the types of numbers available for LNP. Lack of local portability might present an impediment to local competition. MFS and Sprint note that local portability will involve significant financial investment but suggest that the costs of developing LNP capability could be recovered in an equitable and nondiscriminatory manner from participating carriers. MCI agrees with MFS that these costs must be balanced against the benefits that will result from "creating

the necessary technical conditions for vibrant local telephone competition."

It is obvious from the disparate points of view on LNP, and the various technical aspects thereof, that there is no agreed approach for implementing LNP. Thus, MCI urges the Commission to initiate a rulemaking proceeding to investigate the numerous technological and economic issues related to local number portability.

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**REPLY COMMENTS OF
MCI TELECOMMUNICATIONS CORPORATION**

MCI Telecommunications Corporation (MCI) hereby replies to comments filed in "Phase I" of the request by the Federal Communications Commission (Commission or FCC) for comments in the docket captioned above.¹

I. Administration of the North American Numbering Plan

In its initial comments in this docket, MCI proposed transferring administration of the North American Numbering Plan (NANP) out of Bell Communications Research Corporation (Bellcore) and into two separate entities not affiliated with any industry group.² The overwhelming majority of commenters agree with MCI that the NANP should be administered by two neutral bodies³ -- such

¹ Administration of the North American Numbering Plan, Notice of Inquiry, CC Docket No. 92-237, 7 FCC Rcd 6837 (Oct. 29, 1992) (Notice).

² Comments of MCI at 19-20, filed December 28, 1992. All comments cited in this document were filed on December 28, 1992, unless otherwise indicated.

³ Comments of Allnet 8-9, AT&T 4-6; Cox, Cellular Telecomm. Industry Assn (CTIA) at 3-5; McCaw 10-12; Metrocall Del. at 3; MFS 4; NARUC at 4; Natl Cable TV Assn at 2-4; Paging Network 2-4; Southwestern Bell (SWBT) at 4-6; Sprint 5-6; Telocator at 5-6.

as MCI's proposed NANP policy council and a ministerial registrar. Another segment of commenters advocates using one neutral body.⁴ Under either scenario, however, it is clear that the industry supports removing administration of the NANP from Bellcore.

Some commenters generally agree with MCI that some numbering issues should be addressed by the industry,⁵ and then submitted to the FCC for consideration.⁶ MCI reiterates its position that discussions of NANP-related issues should occur in an industry forum setting and resolved when possible in that setting. MCI emphasizes, however, that policy matters should only be determined by the FCC. Other parties argue that the FCC should determine and articulate numbering policies in the first instance.⁷ MCI believes that the industry should have the opportunity to discuss such issues under the auspices of the NANP Council; then consensus viewpoints would be submitted as appropriate to the FCC for consideration in the context of policy determinations.⁸ This would be the best option because the particular expertise needed to understand numbering questions resides within the industry. The FCC, however, should retain its policy-making function with respect

⁴ Comments of Ad Hoc at 29-30; Amer. Personal Comm, ARINC at 3; BellSouth at 6; Illinois Commission at 3-4; Telco Planning at 3; Teleport 2-3, Vanguard at 1-2.

⁵ Comments of SNET at ____.

⁶ Comments of BellSouth at 10-11; NYNEX at 5-6.

⁷ Comments of Allnet at 4-5; Cox at 6-8, GTE at 6-8. MCI disagrees with MFS' suggestion that NTIA supervise number administration. MFS at 5-6.

⁸ MCI Comments at 19-20.

to numbering issues.

MCI suggests that NANP Council committees meet monthly or bi-monthly, as necessary, for as long as it takes to resolve issues before them. The length of the sessions would vary depending on the volume and complexity of issues to be considered. As MCI stated in its comments, the NANP Council's committees would have a discrete period of time (six months) in which to consider issues and achieve consensus. If no consensus were reached within the designated time period, the Commission would involve itself to assist in resolving the problematic issue.⁹

At the end of the committees' meetings, a plenary session would be convened under the auspices of the NANP Council to review the outcome of committee deliberations and to endorse or reject proposed industry consensus resolutions. These resolutions would then be referred to the FCC for use in formulating policy. Any unresolved issues, or any matters which the Commission could not approve, would be considered in a formal rulemaking proceeding.

Many parties urge the Commission to establish the role of, and goals for, the NANP entities.¹⁰ Other commenters propose that the NANPA entities promulgate their own procedural rules and guidelines,¹¹ and establish deadlines for resolution of issues.¹²

⁹ Comments of BellSouth 10-11, Canadian Steering Committee on Numbering (CSCN) at 2, North Pittsburgh Telephone (North Pitt. Tele.) at 3.

¹⁰ Comments of Ad Hoc at 32-33; Bellcore at 5; Cox at 9-10, NYNEX at 3-4; PageNet, SWBT 2-3, Teleport 5-6, Unitel at 2-3; USTA at 2-4.

¹¹ Comments of Ad Hoc, at 29; Pages et al 4-5; Unitel at 4.

MCI believes that the industry is in a better position than the FCC to determine procedures for the NANP Council, but MCI does not object to having the FCC work with the industry to determine the appropriate role and goals for the Registrar and the NANP Council.

Metrocall and PageNet propose that the policy council select an administrator (registrar) using a competitive bidding process.¹³ MCI believes this approach to be short-sighted because it would provide another opportunity for various industry segments to exercise their dominance to retain control over the registrar function. Therefore, MCI believes that a better approach would be to have the FCC select or establish the NANP Registrar.

Some parties ask the Commission to postpone the transfer of NANP administration until 1995, or until Interchangeable Number Plan Area Codes (INPAs) are implemented.¹⁴ MCI disagrees. As the industry and the NANP administrator stand at a critical crossroads created by implementation of INPAs, it is crucial that the Commission transfer the NANPA's policy functions immediately and that it begin to transfer the administrative functions as soon as practicable. Since INPA activity has passed the planning stage and moved into the implementation stage, there is no justification for further delay, as such would only prolong the control of the NANP numbering resources within a single industry segment. Moreover,

¹² Comments of Telocator at 8.

¹³ Comments of Metrocall at 5; PageNet at 6.

¹⁴ Comments of Ameritech at 10; Bell Atlantic, BellSouth at 7; SNET at 2; SWBT at 1-2; USTA at 9.

transfer of NANP administration may prove to be conducive to, or at least have no effect upon, the proliferation of competitive local markets. Therefore, there is no apparent reason to delay transfer until competitive local markets develop, as suggested by the Illinois Commerce Commission.¹⁵

As MCI stated in its comments, there might be some interim measures that could be taken to handle the nonpolicy functions in a more equitable manner during any transition phase required for the transfer of these functions. For instance, Bellcore could continue to be used as an interim administrator -- performing only the ministerial NANPA functions of number assignment and registration -- until a decision is made on the structure and identity of the new Registrar. Some parties, mostly the local exchange carriers (LECs), advocate improving the existing NANP Administrator function within Bellcore,¹⁶ possibly by separating the NANPA staff from Bellcore's other functions.¹⁷ Although these proposals are intended to be a permanent solution to the administration question, MCI suggests that such a separation might

¹⁵ Comments of Illinois at 3-4. MCI's objections also apply to CSCN's contention that administration should not be transferred until after the industry has agreed on a Long Range Numbering Plan. Comments of CSCN at 2.

¹⁶ Comments of Bellcore at 7-8; CSCN at 2; Cin. Bell, GTE at 7-8; Rochester at 2.

¹⁷ Comments of Bellsouth at 7; GTE at 11; North Pitt. Tel at 2; SNET at 3-4.

be workable on an interim basis.¹⁸

While the FCC is reaching a final determination on the establishment of a NANP Council structure, a possible interim option for industry discussions of numbering-related issues*** would be to transfer all such discussions*** to the Carrier Liaison Committee (CLC) until a permanent structure is created. An ad hoc committee could be established under the existing CLC to consolidate numbering-related industry forum activities. In fact, MCI has made such a proposal to the CLC, which was supported by other interexchange carriers.¹⁹ The proposed ad hoc committee could operate in a manner as close to MCI's proposed NANP Council structure as possible. Any work products from this forum would require endorsement by the FCC before they could be considered final industry decisions. Bellcore would be relieved of the de facto policy role it has historically assumed. Discussions associated with development of the Long Range Numbering Plan could be moved immediately out of Bellcore's umbrage and into the CLC structure. However, the CLC cannot be viewed as a viable long-term solution, as it continues to be dominated and controlled by the LECs. If such domination could be managed within the CLC, it might

¹⁸ This situation has precedent in the Commission's decision with respect to the 800 - number database. In that proceeding, the Commission directed the BOCs to transfer administration of the Service Management System to an independent third party. Provision of Access for 800 Service, Memorandum Opinion and Order on Reconsideration and Second Supplemental Notice of Proposed Rulemaking, 6 FCC Rcd 5421, 5429-30 (1991).

¹⁹ Presentation by Peter Guggina at CLC meeting on Jan. 28, 1993.

offer a less biased platform to discuss numbering issues than today's fragmented process.

Communications Daily reports that the Exchange Carrier Standards Association (ECSA) "may develop [a] proposal to acquire area code numbering operation from" Bellcore.²⁰ Reportedly, ECSA's Information Director, Peter Hoffman, acknowledged that a "formal proposal isn't on [the] table yet," but he stated that ECSA would be a "likely repository" for unspecified numbering issues. MCI has not seen any draft proposal for the role ECSA intends to play in the numbering process, and it is unclear in the referenced article whether ECSA intends to assume merely an administrative function or a policy role as well. If ECSA would propose to insert itself into the industry's policymaking discussions, MCI strenuously objects. This would not improve upon the current situation in any respect. ECSA has proved to favor the positions of its members. There have been instances in which ECSA, when making its proposals, has established procedural processes that have thwarted the efforts of some parties to be heard. One such incident was in connection with the formulation of 800 Database NASC, Inc., and another was in connection with MCI's proposal to consolidate numbering activities in a single forum. In both cases, ECSA's counsel created procedural roadblocks to prevent MCI from presenting its positions. MCI believes that this attempt to assume policy responsibility for the NANP would only serve to place Control of NANP activities with the LECs. ECSA is an organization whose membership is restricted

²⁰ See Communications Daily at 3, Jan. 28, 1993.

to the LECs, and MCI continues to urge the Commission not to allow NANP activities to be sponsored by any industry segment. As stated above, MCI would support a strictly-limited role for an ad hoc committee under the ECSA's CLC, pending formation of the eventual NANP Council, but that is all it would support.

Some parties advocate modifying the current NANPA structure within Bellcore by establishing procedures for increased participation in policy decisionmaking,²¹ or creating an Advisory Council.²² MCI strongly opposes any continuation of policy functions within Bellcore. MCI also takes exception to using an Advisory Council as suggested by these parties. Much like the Advisory Council proposed by Bellcore in its Long Range Numbering Plan, these LECs propose that the Advisory Council would have only one representative from each industry segment.²³ MCI would not accept any structure in which another interexchange carrier would be responsible for making recommendations that could directly and substantially affect MCI's business interests, or in which it would be charged with representing the business interests of others.

Commenters generally agree that the FCC should play a

²¹ Comments of Centel at 2.

²² Comments of Ameritech at 6; BellSouth 12-13; Bell Canada at 4; CSCN at 2; Cinc. Bell, Cellular Telecom. Industry Assn; NCTA; PacTel 4-6; SNET at 3-4; SWBT 5-6.

²³ Comments of PacTel; SWBT at 5. Pacific Telesis (at 5) proposes that the Advisory Council would develop its own guidelines for assignment of numbering resources.

significant role in the process.²⁴ MCI concurs and has attempted in the various aspects of its proposal to facilitate greater FCC participation. For example, MCI proposes that the ad hoc committee meetings under the CLC, and later the meetings of the NANP Council, should be held in the District of Columbia metropolitan area. This location would give the Commission an opportunity to observe, first-hand, the operation of the Council and to witness discussion of issues. NARUC and foreign administrations would have a similar opportunity. This would be a marked improvement over the current system in which meetings of the differing numbering groups may be scheduled concurrently in different parts of the country. As MCI stated in its comments, the current, multiple-forum structure unnecessarily complicates the policymaking process and deters participation by smaller companies.²⁵

Some parties suggest that FCC mediation and arbitration will not be productive because the industry process of arriving at consensus is essentially a mediation approach.²⁶ MCI is less categorical in its view as to the utility of the FCC's dispute resolution process. As Ameritech suggests, mediation might be workable in resolving disputes over interpretation or application of plans or guidelines.²⁷ CTIA proposes that the NANP policy group

²⁴ Comments of Ad Hoc at 30-31; Centel at 3; Cox at 9-10; IIA; Metrolcall; NYNEX at 5-6; PageNet 4-6.

²⁵ MCI Comments at 16-17.

²⁶ Comments of Ameritech at 8; BellSouth at 9-11; PacTel 6-7; Sprint 8-9.

²⁷ Comments of Ameritech at 8.

would review complaints of a party aggrieved by assignment.²⁸ MCI opposes this approach and reaffirms that the FCC must be the arbiter of complaints. It is wholly inappropriate for industry bodies to sit in judgment on the grievances of their competitors. This Commission should reject any such proposal.

MCI opposes Ameritech's request that the FCC permit local exchange carriers to include in their tariffs provisions that require subscribers: (1) to comply with the NANP, the U.S. dialing plan, and the NANP guidelines; and (2) to agree to the NANPA's authority to enforce the plans and guidelines.²⁹ This request demonstrates the depth of the problem in resolving numbering issues. Numbering activities do not constitute the furnishing of telecommunications services, and thus are not subject to tariffing by Ameritech or any other LEC. Moreover, enforcing the compliance of other carriers with numbering policies is not within Ameritech's jurisdiction. Numbers are a public resource, and any compliance with numbering policies should be enforced by the regulatory agencies involved in oversight of the NANP. MCI is concerned that Ameritech's request will enable the LECs to continue their bottleneck control of the local markets.

MCI further opposes Ameritech's request, asserted on behalf of itself and other LECs, for permission to include in their tariffs a provision limiting their liability with respect to numbering, as long as they have complied with the NANP, the U.S.

²⁸ Comments of CTIA at 4.

²⁹ Comments of Ameritech at 7-8.

dialing plan and the NANP guidelines. Although it is not clear to MCI exactly what Ameritech seeks to accomplish with such a provision, it would be difficult to square such a limitation with the public interest.

MCI concurs with the parties who argue that national coordination of numbering is needed.³⁰ As BellSouth indicates, this might include a coordinated assignment of all NANP resources, including those at the NPA and NXX levels.³¹ Splintering of resource assignments invites inconsistency and increases the likelihood of inequality in numbering resource assignments. It also introduces inefficiencies which add unnecessary administrative costs that would have to be borne by industry participants and, ultimately, by ratepayers. MCI also supports continuing to operate the NANP as an internationally integrated numbering plan,³² notwithstanding the political and technical limitations raised by Southwestern Bell.³³ As noted by Southern New England Telephone and USTA, dividing World Zone 1 into separate zones would require costly technical changes.³⁴ National coordination of numbering activities would support continued international integration of the NANP.

Finally, MCI agrees with commenters who seek an expedited

³⁰ Comments of Ad Hoc at 28-29; Info Industry Assn.

³¹ Comments of BellSouth at 24.

³² Comments of BellSouth at 7-9; USTA at 9-10.

³³ Comments of SWBT at 7-9.

³⁴ Comments of SNET at 4; USTA at 9-10.

release of proposed rules on the reorganization of the NANP administration and the adoption of final rules.³⁵ The rulemaking process, however, should not prevent the FCC from moving policy discussions of the Long Range Numbering Plan into an ad hoc committee within the CLC structure, with appropriate safeguards to balance LEC domination, as an interim measure.

II. Funding the Administration of the NANP

In MCI's initial comments in this docket, MCI suggested that the costs of NANP administration, and NANP Council activities, should be recovered from all participants and stated that MCI remains willing to pay its equitable share of those costs.³⁶ Commenters generally agree with MCI that the funding of NANP administration, after it is transferred out of Bellcore, should be fairly allocated among all parties using the NANP resources.³⁷ MCI agrees that the costs of both number administration and participation in NANP Council discussions should be funded by all entities participating in the NANP. MCI considers the proposal of Cox and Page Net to collect fees for new number assignments and for the continued use of numbers³⁸ to be unnecessary since funding for

³⁵ Comments of APC, MFS at 2.

³⁶ MCI Comments at 29.

³⁷ Comments of Comments of Ad Hoc at 30; Ameritech at 9; Bellcore at 7; BellSouth at 13-14; CSCN at 1 (widest practical industry base, including all of North America) Cinc. Bell, Cox, GTE at 11; McCaw 15; MFS at 9; NYNEX at 6; PacTel at 7; Sprint at 7; SWBT at 7; Telocator at 6-7; USTA at 3; Vanguard at 3.

³⁸ Comments of Cox at 11-12; Page Net at 6-7.

the registration entity would be generated by proportionate contributions.

MCI is compelled to respond to the claim of Ameritech that it is unfair for the LECs to bear all costs of NANP administration.³⁹ Under the NANP system as it now exists, the interexchange carriers and other access customers of the LECs pay for their share of NANP administration in their access fees. In addition, Metrocall, McCaw and Teleport correctly indicate that the LECs also charge for the use of certain numbering resources.⁴⁰ Thus, Bellcore and the LECs are not bearing the total costs of NANP administration.

Moreover, the LECs are not the only parties who incur costs associated with NANP administration. Non-LEC participants must pay to participate in the numbering discussion fora and to update their network hardware and software to accommodate any numbering plan changes⁴¹ or new NANP number assignments. In addition, some industry participants incur indirect costs through lost revenues as a result of being disadvantaged by dialing plan and numbering assignments, or lack thereof, which favor some industry segments to the disadvantage of their competitors.

Telocator correctly states that the industry would not incur additional costs by transferring the NANP administration to neutral

³⁹ Comments of Ameritech at 9.

⁴⁰ Comments of Metrocall at 4-5; McCaw at 14; Teleport at 4-5 n.7.

⁴¹ Comments of Ad Hoc, McCaw at 14.

entities.⁴² In fact, after number administration functions are transferred out of Bellcore, the LECs' costs will decrease; consequently, the access fees they charge their customers should be reduced commensurately. MCI agrees with McCaw that when the LECs cease to assign local numbering resources, they should no longer be compensated for this function.⁴³

In the short-term, the interim measure proposed by MCI -- ad hoc subcommittees meeting under the auspices of the -- would not require additional funding since the CLC already recovers its operational costs with payments from the BOCs, GTE and other LECs. The LECs, in turn, include these costs in access charges and thus recover them.

Similarly, MCI believes that no additional costs will be incurred by the Commission as a result of transferring the NANP administration to neutral entities. All requests for allocation of number resources would be submitted to the NANP registration body. Likewise, the industry's discussions regarding numbering-related issues would be handled through the NANP Council process. Any requests for policy determinations would reach the Commission only after the NANP Council process has "fleshed out" the technical aspects of the issue in question. These policy issues would be handled in the ordinary course of the FCC's enforcement and rulemaking functions. Thus, Allnet's suggestion that the FCC could recover its cost increases by way of application-type fees is

⁴² Comments of Telocator at 10.

⁴³ Comments of McCaw 14-15.

unnecessary, in MCI's view.⁴⁴ The FCC has handled NANP matters in the past and could continue to do so with no additional administrative burden.

MCI agrees with PageNet that the eventual NANP Council could be self-funded by means of membership fees,⁴⁵ with each participant paying a fair share of the expenses of operating the Council process. An appropriate formula for funding the NANP Council could be established using similar membership organizations.

For instance, NANP funding might be modeled on the International Telegraph and Telephone Consultative Committee's (CCITT's) scheme of contributions which accommodates participation by governmental and private entities. The scale of annual contributions to the CCITT currently ranges from 40 units at the upper end to 1/16 unit at the lower end, and assessments change annually. In a similar manner, NANP participants could be assessed an annual membership contribution, based upon some appropriate criteria, which would be recalculated every year.

The model proposed by Sprint suffers from some obvious deficiencies and should be rejected Sprint suggests measuring NANP funding obligations on the basis of a certain minimum customer base.⁴⁶ This scheme appears to be similar to the model employed for contributions to the National Exchange Carrier Association

⁴⁴ Comments of Allnet 4-5.

⁴⁵ Comments of PageNet at 6.

⁴⁶ Comments of Sprint at 17.

(NECA).⁴⁷ Such an approach would collect only from a few carriers and, thus, it would not fairly distribute the costs among all users of the NANP resources and among all participants in the NANP Council process.

MCI opposes the renewed request by Ameritech and USTA to have NANP costs treated as exogenous costs for price cap carriers.⁴⁸ In the Notice (§ 47), the Commission "decline[d] to expand the large number of issues already under consideration by including the reclassification of costs for price caps." The Commission stated that it was too early to know whether this issue needs to be readdressed, and that it would do so, when necessary, in another proceeding. Thus, the request to reconsider treatment of NANP funding costs for price caps carriers should be summarily rejected.

III. Personal Communications Services Numbering

As stated in its initial comments, MCI supports assignment of non-geographic Service Access Codes (SACs) for near-term PCS.⁴⁹ GTE also favors the use of SACs for "early roll out" of PCS.⁵⁰

MCI strongly opposes Ameritech's contention that assignment of SACs for PCS use should be deferred until after the industry fora

⁴⁷ See 47 CFR §§ 69.101-69.119 (1991) at 14-15.

⁴⁸ Comments of Ameritech 9-10; USTA.

⁴⁹ MCI Comments at 30-31.

⁵⁰ Comments of GTE at 15. Other commenters support use of the SAC for longer-term provision of PCS as well, and MCI addresses these comments below in connection with its longer-term approach.

have completed their work on PCS numbering standards.⁵¹ MCI also opposes Ameritech's argument that none of the remaining SACs should be assigned for any purpose before 1995.⁵² In both instances, Ameritech is proposing actions that will best serve its own interests to the detriment of the rapid development of PCS. These requests should be ignored by the Commission so that parties with real and current needs for numbering resources will not be forced to wait for others to catch up. Ameritech's purported justification for suggesting such delays -- concerns about NPA exhaust prior to availability of interchangeable NPAs -- can be solved in other ways, including merging of currently underutilized, contiguous NPAs, and return of the resulting surplus NPAs. GTE correctly notes that NXX codes are used inefficiently in today's local exchange environment because NXX codes are assigned to particular geographic locations which will never utilize all 10,000 available numbers.⁵³

GTE is also concerned that all the service providers who might want to provide PCS would not be able to offer PCS due to the limited supply of such numbers within each SAC. MCI does not share GTE's concern that all players will be unserved by the SAC approach to PCS numbering. Although the number of PCS providers is theoretically high, only seven carriers have expressed to Bellcore an urgent need for PCS numbers. It is possible that, if one SAC

⁵¹ Comments of Ameritech at 12.

⁵² Comments of Ameritech at 12.

⁵³ Comments of GTE at 16.

were insufficient to accommodate all interested PCS providers, another SAC could be assigned for PCS use. It is important to note that MCI's support of SACs for PCS use is intended to be an interim solution until interchangeable NPAs become available for use.

With respect to provision of PCS in the longer-term, MCI stated in its initial comments that it favors the use of non-geographic NPAs.⁵⁴ MCI disagrees with NYNEX and Southwestern Bell in their assertion that PCS development will not be driven by numbering schemes⁵⁵ to the extent that PCS service will clearly depend upon availability of number resource assignments on a nondiscriminatory basis, and in a format which does not disadvantage one service provider versus another.

MCI supports the nondiscriminatory assignment of non-geographic numbering to PCS providers. Telocator and McCaw indicate that availability of non-geographic numbering, on a nondiscriminatory basis, would promote implementation of PCS, both near-term and in the future.⁵⁶ SNET agrees, in principle, that PCS number assignments should be handled in a uniform, fair and impartial manner.⁵⁷ Cox argues that the Commission must establish principles and procedures of equitable numbering assignment for PCS because decisions on PCS numbering assignments cannot be left to

⁵⁴ Comments of MCI at 31-32.

⁵⁵ Comments of NYNEX at 7; SWBT at 11.

⁵⁶ Comments of Telocator at 11-13; McCaw at 17-19.

⁵⁷ Comments of SNET at 7.